



RESOLUTION

APPROVING COLLECTIVE BARGAINING COST ITEMS FOR THE INCLUDED AND EXCLUDED EMPLOYEES OF THE CITY AND COUNTY OF HONOLULU IN BARGAINING UNIT 4 (HAWAII GOVERNMENT EMPLOYEES ASSOCIATION).

WHEREAS, Chapter 89, Hawaii Revised Statutes (HRS), establishes a statewide collective bargaining process for public employees; and

WHEREAS, pursuant to Chapter 89, HRS, the employers and representatives of Bargaining Unit 4 (Hawaii Government Employees Association) began negotiations in June 2018, concerning a collective bargaining agreement for the employees in the bargaining unit; and

WHEREAS, the parties agreed to a new contract which was ratified on March 3, 2020; and

WHEREAS, pursuant to Section 89C-2(4) HRS, "For excluded employees under the same classification systems as employees within collective bargaining units, adjustments shall be not less than those provided under collective bargaining agreements for employees hired on a comparable basis;" and

WHEREAS, the new collective bargaining agreement makes adjustments to wages and other non-wage cost items and is effective from July 1, 2019 through June 30, 2021; and

WHEREAS, pursuant to Section 89-10(b), HRS, the cost items are subject to appropriations by the respective legislative bodies; now, therefore,

BE IT RESOLVED by the Council of the City and County of Honolulu that it approve the collective bargaining cost items for the Bargaining Unit 4 included and excluded employees of the City and County of Honolulu, a summary of which is attached as Exhibit A; and

MM-38(20)



CITY COUNCIL
CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII

No. 20-78

RESOLUTION

BE IT FINALLY RESOLVED that copies of this Resolution be transmitted to the Mayor and Director of the Department of Human Resources.

INTRODUCED BY:

H. Star Amador (br)

DATE OF INTRODUCTION:

MAR 16 2020
Honolulu, Hawaii

Councilmembers

**COLLECTIVE BARGAINING REPORT TO CITY COUNCIL
HGEA AGREEMENT FOR BARGAINING UNIT 4**

The current collective bargaining agreement for Bargaining Unit 4 with the Hawaii Government Employees Association (HGEA) expired on June 30, 2019. Negotiations for successor agreements began in June 2018. The Employer and Union tentatively agreed to a new contract on February 18, 2020. HGEA held statewide ratification meetings from February 27 – March 3, 2020.

The settlement covers the following City employees:

Bargaining Unit 4 – White Collar Supervisory

	Without BWS	With BWS
Included Employees	117	128
Excluded Employees	2	2
TOTAL	119	130

(Based on data as of February 29, 2020)

Summary of Settlement

I. Duration

The agreement is effective from July 1, 2019, to and including June 30, 2021.

II. Salaries

A. Effective 7/1/19

1. 5.98% lump sum payment based on June 30, 2019 annual base pay and replace step movement plan with negotiated step movements.

B. Effective 7/1/20

1. Employees on Steps B move to C. Delete Step B.

2. Delete SR04, increase SR05 to SR08 by 5.6% to 11.8%. See table of monthly salary rates below:

Average Increase		C	D	E	F	G	H	I	J	K	L	M
11.8%	SR05	2,603	2,711	2,816	2,927	3,046	3,165	3,296	3,428	3,564	3,704	3,853
9.7%	SR06	2,656	2,766	2,873	2,986	3,108	3,229	3,363	3,497	3,636	3,778	3,931
7.6%	SR07	2,709	2,822	2,931	3,047	3,171	3,295	3,431	3,567	3,710	3,855	4,010
5.6%	SR08	2,764	2,879	2,991	3,108	3,235	3,361	3,500	3,639	3,785	3,933	4,091

3. Increase the rates on salary schedule for SR09 and above by 3.60%.

C. Effective 1/1/21

1. Increase the rates on the salary schedule by 3.74%.

The following chart summarizes the City's estimated salary costs for the two-year contract period:

SALARY COSTS FOR BARGAINING UNIT 4 Included and Excluded Employees			
	FY 2020	FY 2021	TOTAL
Without BWS			
Included Employees	\$604,536	\$606,150	\$1,210,686
Excluded Employees	\$8,801	\$7,566	\$16,367
TOTAL	\$613,337	\$613,716	\$1,227,053
With BWS			
Included Employees	\$664,255	\$668,953	\$1,333,208
Excluded Employees	\$16,652	\$14,316	\$30,968
TOTAL	\$680,907	\$683,269	\$1,364,176

III. Employer-Union Health Benefits Trust Fund (EUTF)

A. Effective 7/1/19, the Employer will pay specific dollar amounts for the PPO and HMO plans which increase the Employer contribution rates an average of approximately 3% from the previous year. The Employer contribution shall be capped at 84.3% of the total premium. The Employer will pay specific monthly contributions which are generally equivalent to 60% of the premium cost and 60% of the administrative fees for all other plans except the life insurance plan (for which the Employer shall pay 100% of the premiums and fees).

B. Effective 7/1/20, the Employer will pay specific dollar amounts for the PPO and HMO plans which increase the Employer contribution rates an average of approximately 10% from the previous year. The Employer contribution shall be capped at 84.3% of the total premium. The Employer will pay specific monthly contributions which are generally equivalent to 60% of the premium cost and 60% of the administrative fees for all other plans except the life insurance plan (for which the Employer shall pay 100% of the premiums and fees).

The following chart summarizes the City's estimated increase to EUTF costs for the two-year period for bargaining unit 4 (included & excluded employees):

EUTF COSTS FOR BARGAINING UNIT 4		
FY 2020	FY 2021	TOTAL
\$27,900	\$105,284	\$133,184

CITY COUNCIL
CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII
C E R T I F I C A T E

RESOLUTION 20-78

Introduced: 03/16/20 By: IKAIKA ANDERSON – BY REQUEST Committee: COUNCIL

Title: RESOLUTION APPROVING COLLECTIVE BARGAINING COST ITEMS FOR THE INCLUDED AND EXCLUDED EMPLOYEES OF THE CITY AND COUNTY OF HONOLULU IN BARGAINING UNIT 4 (HAWAII GOVERNMENT EMPLOYEES ASSOCIATION).

Voting Legend: * = Aye w/Reservations

CC-81 MANAHAN – REFERRAL FROM COMMITTEE ON BUDGET DIRECT TO COUNCIL FLOOR.

05/20/20 COUNCIL

RESOLUTION 20-78 WAS ADOPTED.

9 AYES: ANDERSON, ELEFANTE, FUKUNAGA, KOBAYASHI, MANAHAN, MENOR, PINE, TSUNEYOSHI, WATERS.

I hereby certify that the above is a true record of action by the Council of the City and County of Honolulu on this RESOLUTION.



GLEN I. TAKAHASHI, CITY CLERK



IKAIKA ANDERSON, CHAIR AND PRESIDING OFFICER